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FM SECSTATE WASHDC

TO AMEMBASSY ABIDJAN

AMEMBASSY BELGRADE

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMEMBASSY ISLAMABAD

AMEMBASSY LAGOS

AMEMBASSY LIMA

AMEMBASSY MANILA

AMEMBASSY MEXICO

AMEMBASSY NEW DELHI

AMEMBASSY PANAMA

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FOLLOWING REPEAT DAKAR 857 ACTION SECSTATE GENEVA INFO
ALGIERS BONN BRUSSELS EC BRUSSELS COPENHAGEN DUBLIN THE HAGUE
HELSINKI LISBON LONDON LUXEMBOURG MADRID NAIROBI OSLO PARIS
OECD PARIS ROME STOCKHOLM TOKYO USUN VIENNA DTDS10 FEB

QTE

UNCLAS DAKAR 0857

E.O. 11652: NA

TAGS: UNCTAD, EGEN, ETRD, SG

SU: DAKAR CONFERENCE ON COMMODITIES (DCC)

REF: A) DAKAR 0843; B) DAKAR 0851; C) DAKAR 0856 D) DAKAR 0899

1. COOPERATION BETWEEN DEVELOPING COUNTRIES IN THE FIELD OF
RAW MATERIALS AND OTHER PRIMARY COMMODITIES

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IT IS MORE IMPERATIVE THAN EVER TO STRENGTHEN COOPERATION
BETWEEN DEVELOPING COUNTRIES ON LINES OF PRINCIPLES AND
PROGRAMMES ADOPTED BY FOURTH SUMMIT CONFERENCE OF NON-ALIGNED
COUNTRIES HELD AT ALGIERS IN SEPT 1973 AND BY GENERAL
ASSEMBLY OF UNITED NATIONS AT ITS SIXTH SPECIAL SESSION:
PROGRAMMES IN WHICH DEVELOPING COUNTRIES HAVE RE-AFFIRMED
THEIR CONVICTION THAT RESPONSIBILITY FOR SPEEDY
DEVELOPMENT OF THEIR COUNTRIES IS FIRST INCUMBENT ON THEM. IN
THIS CONNECTION, COOPERATION AMONG DEVELOPING COUNTRIES IN
FIELD OF RAW MATERIALS AND OTHER PRIMARY COMMODITIES SHOULD AIM
TO ACHIEVE FOLLOWING MAIN OBJECTIVES:
(A) TO STRENGTHEN NEGOTIATING POSITION OF DEVELOPING COUNTRIES
IN RELATION TO DEVELOPED COUNTRIES;
(B) TO SECURE FOR DEVELOPING COUNTRIES CONTROL OVER THEIR
NATURAL RESOURCES;
(C) TO EXPAND MARKETS FOR, AND INCREASE RETURNS FROM EXPORTS OF
COMMODITIES PRODUCED BY DEVELOPING COUNTRIES;
(D) TO MAINTAIN AND STRENGTHEN PURCHASING POWER OF DEVELOPING
COUNTRIES THROUGH ESTABLISHMENT OF AN INDEXATION MECHANISM FOR
PRICE OF RAW MATERIALS AND AGRICULTURAL PRODUCE WHICH THEY EXPORT
IN RELATION TO PRICE OF PRINCIPAL PRODUCTS AND SERVICES WHICH
THEY IMPORT FROM INDUSTRIALIZED COUNTRIES;
(E) TO PROMOTE PROCESSING BY DEVELOPING COUNTRIES OF THEIR RAW
MATERIALS TO HIGHEST DEGREE POSSIBLE IN THEIR NATIONAL TERRITORY;
(F) TO PROMOTE DIRECT TRADE IN RAW AND PROCESSED COMMODITIES
BETWEEN DEVELOPING COUNTRIES, I.E., TO PUT AN END TO PREVAILING
TRIANGULAR SYSTEM OF TRADE UNDER WHICH DEVELOPED COUNTRY SERVES
AS INTERMEDIARY IN IMPORTING UNPROCESSED COMMODITY FROM
DEVELOPING COUNTRY AND RE-EXPORTING IT IN SEMI-PROCESSED OR
PROCESSED FORM TO ANOTHER DEVELOPING COUNTRY;
(G) TO IMPROVE COMPETITIVE POSITION OF NATURAL PRODUCTS
EXPORTED BY DEVELOPING COUNTRIES VERSUS SYNTHETIC PRODUCTS;
(H) TO PROMOTE DIVERSIFICATION OF ECONOMIC STRUCTURE IN DEVELOPING
COUNTRIES BY COOPERATION IN THEIR INVESTMENT AND PRODUCTION PROJECTS
AND PROGRAMMES AND INTENSIFICATION OF INDUSTRIAL, FINANCIAL,
SCIENTIFIC, TECHNICAL AND ALL OTHER FORMS OF MUTUAL COOPERATION;
(I) TO SUPPORT, WHEREVER POSSIBLE, MEASURES ADOPTED WITH VIEW
TO IMPLEMENTING ACTION PROGRAMME ADOPTED AT GEORGETOWN, ENLARGED
UPON AT ALGIERS AND FURTHER ELABORATED ON AT BELGRADE MEETING OF
COORDINATORS WITH A VIEW OF PROMOTING ECONOMIC COOPERATION AMONG
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ALL DEVELOPING COUNTRIES CONCERNED IN FIELDS OF TRADE, INDUSTRY
AND TRANSPORT; EXCHANGE OF TECHNOLOGY, KNOW-HOW, AND TECHNICAL
ASSISTANCE, MONETARY AND FINANCIAL COOPERATION, AND ECONOMIC
COOPERATION IN GENERAL, IN ORDER TO ACHIEVE ECONOMIC PROGRESS
FOR DEVELOPING COUNTRIES;
AND TO THIS END:

2. (37) RECALLING DECISIONS TAKEN AT FOURTH SUMMIT CONFERENCE

OF NON-ALIGNED COUNTRIES HELD AT ALGIERS IN SEPT 1973,
AND RESOLUTIONS ADOPTED BY UNITED NATIONS SIXTH SPECIAL SESSION
IN APRIL-(-6 1974 TO ESTABLISH ASSOCIATIONS OF PRODUCERS AMONG
DEVELOPING COUNTRIES, CONFERENCE INVITES GOVTS OF DEVELOPING
COUNTRIES TO IMPLEMENT ALL POSSIBLE MEANS OF STRENGTHENING ACTION
OF ESTABLISHED PRODUCERS' ASSOCIATIONS AND OF ENCOURAGING ESTABLISH-
MENT OF OTHER ASSOCIATIONS FOR MAIN COMMODITIES OF EXPORT INTEREST TO
DEVELOPING COUNTRIES, AND FOR THIS PURPOSE, INVITES THEM TO SET
UP A COUNCIL FOR CONSULTATION AND COOPERATION BETWEEN VARIOUS
ASSOCIATIONS OF PRODUCERS WITH VIEW TO COORDINATION AND MUTUAL
SUPPORT OF THEIR ACTIVITIES.

THIS COUNCIL SHALL HAVE THE FOLLOWING AIMS AND OBJECTIVES:

(A) IMPLEMENTATION OF MEASURES FOR RECOVERY OF RESOURCES AND
PRODUCTION AND MARKETING STRUCTURES;

(B) TO ORGANIZE ON REGULAR BASIS EXCHANGE OF EXPERIENCE AND
RESULTS BETWEEN VARIOUS PRODUCER-EXPORTER ASSOCIATIONS AND MAKE
THEIR COMMON EXPERTISE AVAILABLE TO ANY GROUP OF DEVELOPING
PRODUCING COUNTRIES WILLING TO ESTABLISH SIMILAR ASSOCIATION
AMONG THEMSELVES;

(C) TO HARMONIZE ACTIONS OF VARIOUS ASSOCS
AND MOBILIZE THEIR SUPPORT FOR ANY ONE OF THEM WHEN
REQUIRED, WITHIN FRAMEWORK OF SOLIDARITY AMONG DEVEL-
OPING COUNTRIES AND EXERCISE OF THEIR
SOVEREIGNTY OVER THEIR NATURAL RESOURCES, AND
EXPLOITATION, PROCESSING AND MARKETING THEREOF;

(D) DEFENCE AGAINST ALL FORMS OF AGGRESSION, ECONOMIC OR
OTHERWISE;

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(D) TO PROMOTE FINANCIAL ASSISTANCE BETWEEN VARIOUS
PRODUCER-EXPORTER ASSOCIATIONS IN FINANCING
OF BUFFER STOCKS AND OTHER FORMS OF MARKET
INTERVENTION AS APPROPRIATE;

(F) TO DEFINE COMMON MEASURES TO BE TAKEN BY PRODUCER-
EXPORTER ASSOCS IN ORDER TO CONTROL AND REGULATE ACTIVITIES OF
TRANSNATIONAL CORPS. WITH VIEW TO PRESERVING AND CONSOLIDATING
PERMANENT SOVEREIGNTY OF DEVELOPING COUNTRIES OVER
THEIR NATURAL RESOURCES.

3. (38) THE CONFERENCE REAFFIRMS COLLECTIVE ACTIVE SUPPORT
OF ALL DEVELOPING COUNTRIES FOR ANY DEVELOPING COUNTRY ENGAGED
IN PROCESS OF RECOVERING AND CONSOLIDATING ITS SOVEREIGNTY
AND CONTROL OVER ITS NATURAL RESOURCES AND EXPLOITING

PROCESSING AND MARKETING THEREOF, AND FULL CONTROL OF ALL ASPECTS OF FOREIGN TRADE. IN THIS CONTEXT, PRODUCERS' ASSOCS. SHOULD MAKE THEIR EXPERTISE AVAILABLE AND PROVIDE ALL POSSIBLE ASSISTANCE TO DEVELOPING COUNTRIES IN ESTABLISHING CONTROL OVER INDUSTRIES IN THEIR TERRITORY, PARTICULARLY THOSE CONCERNED WITH PROCESSING AND MARKETING OF RAW MATERIALS FOR WHICH PRODUCERS' ASSOCS. ARE COMPETENT.

4. (39) THE CONFERENCE INVITES GOVTS OF DEVELOPING COUNTRIES TO PROMOTE REGIONAL AND INTERREGIONAL FINANCIAL SUPPORT AND COOPERATION AMONG DEVELOPING COUNTRIES, ON THE BASIS OF ADEQUATE GUARANTEES AND REASONABLE RATES OF RETURN, FOR ESTABLISHMENT OF COMMODITY BUFFER STOCKS, MARKET INTERVENTION OR ANY OTHER MECHANISM DESIGNED TO MAINTAIN PRICES OF COMMODITIES EXPORTED BY DEVELOPING COUNTRIES AT REMUNERATIVE LEVELS, TO IMPROVE ACCESS TO AND TO STABILIZE MARKETS FOR THEM, AND TO GUARANTEE SECURITY OF SUPPLY FOR IMPORTING DEVELOPING COUNTRIES. IN THIS RESPECT, CONSIDERATION SHOULD BE GIVEN TO ESTABLISHMENT OF AGENCY TO FINANCE AND OPERATE A MULTI-COMMODITY BUFFER STOCK ON AGREED LINES OR TO FINANCE INDIVIDUAL BUFFER STOCKS AND MARKET INTERVENTION SCHEMES ORGANIZED BY PRODUCING COUNTRIES.

THE CONFERENCE INVITES GOVTS OF DEVELOPING COUNTRIES TO TAKE NOTE OF UNFAVOURABLE EFFECT OF RECENT DEVELOPMENTS IN INTERNATIONAL ECONOMIC SITUATION ON ECONOMIES OF MOST SERIOUSLY UNCLASSIFIED

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AFFECTED DEVELOPING COUNTRIES WHICH ARE BIG IMPORTERS OF PRODUCTS INDISPENSABLE TO SUBSISTENCE OF THEIR POPULATIONS. ALL DEVELOPING COUNTRIES SHOULD THEREFORE ELABORATE, WITH ASSISTANCE OF UNCTAD, SERIES OF PROPOSALS WHICH WOULD BE IMMEDIATELY EFFECTIVE AND WOULD AIM AT ELIMINATING ABOVE-MENTIONED UNFAVOURABLE DEVELOPMENTS. THIS WOULD, IN ADDITION, STRENGTHEN JUSTIFIED ENDEAVORS OF DEVELOPING COUNTRIES TO OBTAIN REMUNERATIVE AND EQUITABLE PRICES FOR THEIR RAW MATERIALS.

5. (40) THE CONFERENCE INVITES GOVTS OF DEVELOPING COUNTRIES TO CONTINUE THEIR JOINT EFFORTS TO ENSURE ESTABLISHMENT OF JUST AND EQUITABLE RELATIONSHIP BETWEEN PRICES OF THEIR IMPORTS FROM DEVELOPED COUNTRIES AND THOSE OF THEIR EXPORTS TO THOSE COUNTRIES, TAKING INTO ACCOUNT DEVELOPMENT NEEDS OF DEVELOPING COUNTRIES.

6. (41) THE CONFERENCE INVITES GOVTS OF DEVELOPING PRODUCER COUNTRIES, TAKING ACCOUNT OF WORLD MARKET CONDITIONS WHEN TECHNICALLY POSSIBLE, TO CONSIDER IMPOSITION OF EXPORT DUTIES OR MINIMUM EXPORT PRICE SCHEMES AS DEVICE FOR SECURING BETTER RETURNS FOR THEIR EXPORTS AND PREFERENTIAL

TERMS FOR EXPORTS TO DEVELOPING COUNTRIES WHERE APPROPRIATE AND TECHNICALLY FEASIBLE.

7. MOREOVER, THE CONFERENCE INVITES THESE PRODUCER COUNTRIES TO GRANT UNDER-PRIVILEGED COUNTRIES FAVORABLE TERMS OF PAYMENT WITH VIEW TO SOLVING FINANCIAL PROBLEMS THEY ENCOUNTER IN THEIR FOREIGN TRADE.

8. THE CONFERENCE INVITES DEVELOPING COUNTRIES TO PROMOTE MUTUAL COOPERATION IN TRANSFER OF FINANCIAL RESOURCES WITH VIEW TO STIMULATING THEIR INDUSTRIALIZATION PROCESS THROUGH EXTENSIVE PROCESSING ON THEIR OWN TERRITORIES OF THEIR RAW MATERIALS. THIS WOULD REDUCE THEIR VULNERABILITY VIS-A-VIS OTHER COUNTRIES. IN THIS RESPECT DEVELOPING COUNTRIES IN POSITION TO DO SO SHOULD GRANT LOW INTEREST LOANS AND CREDITS AND ALL OTHER FORMS OF ASSISTANCE, FINANCIAL OR OTHERWISE, WHICH MIGHT CONTRIBUTE TO DEVELOPMENT OF ECONOMIES OF THOSE COUNTRIES. THEY SHOULD ALSO INCREASE VOLUME OF THEIR INVESTMENTS IN

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AGRICULTURAL SECTOR WITH VIEW TO ENSURING WORLD FOOD SUPPLIES AND, IN PARTICULAR, FOOD SUPPLIES TO OTHER DEVELOPING COUNTRIES IN ORDER TO LESSEN THE DEPENDENCE OF SUCH COUNTRIES IN RESPECT OF FOOD IMPORTS FROM DEVELOPED COUNTRIES AND TO ENABLE THEM TO ENJOY COMPARATIVE AGRICULTURAL ADVANTAGES AND TO PLAN AND INCREASE MEDIUM AND LONG-TERM PRODUCTION. POSSIBILITIES OF SETTING UP REGIONAL OR INTERREGIONAL ENTERPRISES TO PROCESS RAW MATERIALS IN THE DEVELOPING COUNTRIES MIGHT ALSO BE CONSIDERED. SUCH ENTERPRISES SHOULD BE COMPETITIVE IN INTERNATIONAL MARKET IN ORDER TO IMPROVE PRESENT SITUATION AND TO

LAY FOUNDATION FOR NEW INTERNATIONAL ECONOMIC ORDER IN RELATIONS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES.

9. THEN CONF. INVITES GOVTS OF DEVELOPING COUNTRIES TO INCREASE THEIR MUTUAL TRADE BY MEANS OF PREFERENTIAL TRADE AGREEMENTS AND ESTABLISHMENT OF SUB-REGIONAL, REGIONAL AND INTER-REGIONAL PAYMENTS' UNIONS.

10. (44) CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES TO CONTINUE THEIR EFFORTS DESIGNED TO PERFECT MOVEMENTS OF REGIONAL, SUBREGIONAL OR INTERREGIONAL INTEGRATION WITH VIEW TO ACCELERATING PROCESS OF THEIR NATIONAL DEVELOPMENT, PARTICULARLY IN FIELD OF PRIMARY COMMODITIES. IN THIS CONNECTION CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES TO STIMULATE REGIONAL AND INTERREGIONAL FINANCIAL SUPPORT BY PROVIDING NATIONAL, SUB-REGIONAL, REGIONAL AND INTER-REGIONAL FINANCIAL INSTITUTIONS WITH MEDIUM-OR LONG TERM INVESTMENT FROM AVAILABLE SURPLUSES

AND AT SAME TIME TO PROMOTE CO-OPERATION AMONG DEVELOPING COUNTRIES FOR ESTABLISHMENT OF PAYMENTS ARRANGEMENTS AND EXCHANGE CREDIT SCHEMES FOR PROMOTION OF REGIONAL, SUBREGIONAL OR INTERREGIONAL TRADE AND ECONOMIC INTEGRATION AMONG DEVELOPING COUNTRIES. COMMODITY TRADE BETWEEN DEVELOPING COUNTRIES SHOULD BE STIMULATED BY ALL POSSIBLE MEASURES, INCLUDING NEGOTIATION OF LONG TERM PURCHASE AND SALES AGREEMENTS BETWEEN THEM IN RESPECT OF COMMODITIES TRADED AMONG THEM, AND ORIENTATION OF POLICIES OF THEIR OFFICIAL PROCUREMENT ORGANIZATION IN FAVOUR OF IMPORTS FROM DEVELOPING COUNTRIES.

11. (44 BUS) CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES
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ALSO TO CONTINUE THEIR EFFORTS BY SETTING THEIR SIGHTS ON DOUBLING GROWTH RATE OF THEIR RECIPROCAL TRADE AS SUGGESTED BY FOURTH SUMMIT CONFERENCE OF NON-ALIGNED COUNTRIES IN SEPTEMBER 1973. IN THIS CONNECTION CONFERENCE INVITES THEM TO REDOUBLE THEIR EFFORTS TO EXPAND THEIR RECIPROCAL TRADE BY JOINING PROTOCOL ON TRADE BETWEEN DEVELOPING COUNTRIES WITHIN THE FRAMEWORK OF GATT.

12. (45) THE CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES TO ENCOURAGE JOINT FINANCING BETWEEN THEM OF COMMON RESEARCH AND DEVELOPMENT EFFORTS (WHETHER IN PRODUCTION OF NATURAL PRODUCTS OR IN MANUFACTURING THEREFROM OF END PRODUCTS AIMED AT IMPROVING COMPETITIVE POSITION OF NATURAL PRODUCTS EXPORTED BY DEVELOPING COUNTRIES VERSUS THEIR SYNTHETIC SUBSTITUTES, AND TO MOBILIZE ALL AVAILABLE MEANS TO PROMOTE TRANSFER OF SCIENCE AND TECHNOLOGY AMONG THEM, PARTICULARLY IN CONNECTION WITH PRODUCTION AND PROCESSING OF THEIR RAW MATERIALS AND OTHER PRIMARY PRODUCTS.

13. IN THIS CONNECTION THE CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES TO ENCOURAGE FOUNDATION OF MULTINATIONAL INSTITUTIONS TO FACILITATE ACTIVE CO-OPERATION IN RESEARCH WHICH DEVELOPED COUNTRIES HAVE NO INTEREST IN UNDERTAKING OR COMMUNICATING; AND AT SAME TIME TO STUDY WAYS AND MEANS OF STRENGTHENING THEIR BARGAINING POWER IN MARKET FOR PATENTS AND LICENCES WHICH IS CHARACTERIZED BY OLIGOPOLISTIC PRACTICES ON LARGE SCALE. GROUP OF EXPERTS MIGHT USEFULLY EXAMINE EXPEDIENCY AND MODALITIES FOR SETTING UP JOINT PURCHASING AGENCY FOR BUYING TECHNIQUES ON BETTER TERMS AND ALSO MULTINATIONAL CENTRE OF TECHNOLOGY TO ACQUIRE TECHNICAL KNOW-HOW AND PUT IT AT DISPOSAL OF NATIONAL USERS AT LOWEST POSSIBLE COST.

14. (45 BIS) IT ALSO INVITES THEM TO PROMOTE ESTABLISHMENT OF NATIONAL, REGIONAL, AND INTERREGIONAL SHIPPING COMPANIES WHICH CAN COMPETE WITH THOSE OF DEVELOPED COUNTRIES AND WITH FLEETS OF TRANSNATIONAL CORPORATIONS, SO AS TO PROMOTE EXPANSION OF TRADE BETWEEN DEVELOPING COUNTRIES, TO BRING FOREIGN TRADE UNDER

CONTROL OF NATIONAL INSTITUTIONS, AND TO IMPROVE EXPORT EARNINGS OF DEVELOPING COUNTRIES.

(2) INVITES DEVELOPING COUNTRIES WITH SURPLUS MEANS OF PAYMENT AND IMPORTING FOODSTUFFS TO INVEST IN AGRICULTURAL UNCLASSIFIED

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AND STOCKRAISING PROGRAMMES OF LESS DEVELOPED COUNTRIES ON BASIS OF APPROPRIATE GUARANTEES.

(3) INVITES THESE SAME COUNTRIES TO EXPLOIT AND PUT TO USE NON-EXHAUSTIBLE ENERGY RESOURCES OF DEVELOPING COUNTRIES.

(4) DECIDES TO CREATE PERMANENT COMMITTEE FOR TECHNICAL AID WHICH WILL BE RESPONSIBLE FOR TRANSFERRING TECHNICAL KNOW-HOW FROM DEVELOPING COUNTRIES TO LESS-DEVELOPED COUNTRIES.

(5) DECIDES TO CONVENE AN INTERGOVERNMENTAL GROUP OF EXPERTS ATTACHED TO BUREAU OF NON-ALIGNED COUNTRIES IN ORDER TO IMPLEMENT WIDER PROGRAMME OF ACTION IN FAVOUR OF THE LESS ADVANCED DEVELOPING COUNTRIES IN PREPARATION FOR THE UNITED NATIONS SPECIAL SESSION IN SEPTEMBER. THE CONFERENCE STRONGLY REQUESTS INTERNATIONAL COMMUNITY TO TAKE URGENT MEASURES TO INCREASE IMPORT AND EXPORT CAPACITY OF LANDLOCKED COUNTRIES AND TO COMPENSATE FOR DISADVANTAGES OF THE GEOGRAPHICAL SITUATION OF THESE COUNTRIES, PARTICULARLY IN RESPECT OF TRANSPORTATION AND TRANSIT COSTS IN ORDER TO INCREASE THEIR TRADE POSSIBILITIES.

STRONGLY REQUEST GENERAL ASSEMBLY TO DECIDE ON CREATION OF SPECIAL FUND IN FAVOUR OF LANDLOCKED DEVELOPING COUNTRIES, IN ORDER TO COMPENSATE FOR DAMAGE CAUSED TO THEM BY INCREASED TRANSPORTATION AND TRANSIT COSTS.

INVITES GOVERNMENTS OF DEVELOPING COUNTRIES TO ELABORATE AND TAKE CONCRETE AND SPECIFIC STEPS IN ORDER TO ASSIST LAND-LOCKED DEVELOPING COUNTRIES IN THEIR DEVELOPMENT EFFORTS AND IN THEIR INTERNATIONAL TRADING POLICY.

REQUESTS DEVELOPING COUNTRIES WITH BALANCE OF PAYMENTS SURPLUSES TO ASSIST LAND-LOCKED DEVELOPING COUNTRIES:

(A) TO DEVELOP THEIR NATIONAL PRODUCTION CAPACITY WITH

REGARD TO FOOD PRODUCE AND OTHER RESOURCES, AND

(B) TO EXPLOIT AND UTILIZE NON-DEPLETABLE SOURCES OF ENERGY WHICH WOULD NOT ONLY CONTRIBUTE TO DEVELOPMENT OF COUNTRIES CONCERNED UNCLASSIFIED

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BUT WOULD ALSO BE OF DIRECT ASSISTANCE IN CONSERVATION OF
DEPLETABLE SOURCES OF ENERGY IN DEVELOPING COUNTRIES WITH BALANCE
OF PAYMENTS SURPLUSES.

RECOMMENDS THAT ALL DEVELOPING COUNTRIES BE INCLUDED ON LIST
BENEFICIARIES OF UNITED NATIONS SPECIAL RELIEF PROGRAMME ADOPTED
AT SIXTH SPECIAL SESSION OF THE GENERAL ASSEMBLY OF UNITED NATIONS.

88 INTERNATIONAL ACTION

47. THE CONFERENCE, REAFFIRMING THAT DEVELOPING COUNTRIES MUST
DISPLAY A POLITICAL DETERMINATION, IN VIEW OF INCREASING
INTERDEPENDENCE OF INTERNATIONAL RELATIONS, WHICH WILL ENABLE

INTERNATIONAL COMMUNITY APPLY PRINCIPLES OF NEW YORK
DECLARATION AND PROGRAMME OF ACTION APPROVED BY SIXTH SPECIAL
SESSION OF UNITED NATIONS GENERAL ASSEMBLY, REFERRING IN
PARTICULAR TO WORK UNCTAD AND OTHER INTERNATIONAL BODIES:

RECOGNIZING THAT:

1. THE DEVELOPING COUNTRIES HAVE RIGHT ESTABLISH DIVERSIFIED,
INTEGRATED AND INDEPENDENT NATIONAL ECONOMY BY BUILDING
NATIONAL INDUSTRY BASED ON THEIR OWN RESOURCES AND DRAW MATERIALS,
EXERCISING POLITICAL SOVEREIGNTY AND IN SPIRIT SELF-
CONFIDENCE BY MOBILIZING AND ORGANIZING FORCES THEIR WORKING
PEOPLES AND PROVIDING AGRICULTURE WITH MODERN TECHNICAL
EQUIPMENT:

AND CONSIDERING THAT:

2. MUTUAL CO-OPERATION BETWEEN THE DEVELOPING COUNTRIES AND,
INTER ALIA, ECONOMIC AND TECHNICAL COOPERATION GRANTED
BY DEVELOPED COUNTRIES TO DEVELOPING COUNTRIES MUST BE SUCH
AS TO ASSIST COUNTRIES WHICH ENJOY SUCH CO-OPERATION TO
REINFORCE NATIONAL ECONOMIC INDEPENDENCE:

A. OVER-ALL INTEGRATED PROGRAM ON COMMODITIES

1. INTEGRATED PROGRAMME RELATING TO COMMODITIES
INVITES ALL GOVTS TO CO-OPERATE IN ELABORATION AND
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IMPLEMENTATION, BEFORE FOURTH SESSION OF THE UNITED NATIONS
CONF. ON TRADE AND DEVELOPMENT, OF AN OVER-ALL INTEGRATED
PROGRAMME FOR COMMODITIES CONSISTING INTER ALIA OF THE FOLLOWING

ELEMENTS:

(A) THE ESTABLISHMENT OF INTERNATIONAL STOCKING AND MARKET INTERVENTION ARRANGEMENTS TO SUPPORT PRICES AT REMUNERATIVE AND JUST LEVELS FOR COMPREHENSIVE RANGE OF COMMODITIES OF EXPORT OF INTEREST TO DEVELOPING COUNTRIES, STOCKING OPERATIONS COULD BE ORGANIZED ON MULTI-COMMODITY BASIS WHEREBY A CENTRAL AGENCY WOULD BUY AND SELL STOCKS OF NUMBER OF COMMODITIES IN ACCORDANCE WITH AGREED CRITERIA ON OPERATIONS, OR ON BASIS OF INDIVIDUAL COMMODITIES, AS APPROPRIATE DEPENDING ON POLICIES AGREED TO BY PRODUCING COUNTRIES OR PRODUCING AND CONSUMING COUNTRIES TOGETHER.

(B) THE CREATION OF AN AGENCY OR FUND FOR FINANCING STOCKING AND MARKET INTERVENTION ARRANGEMENTS WHICH WOULD ATTRACT INVESTMENT CAPITAL FROM DEVELOPED AND DEVELOPING COUNTRIES IN POSITION TO INVEST FROM THEIR OWN RESOURCES ON BASIS GUARANTEES AND COLLATERAL OF STOCKS AND REASONABLE RATES OF RETURN. INTERNATIONAL FINANCING INSTITUTIONS MIGHT ALSO PROVIDE FUNDS EITHER DIRECTLY OR THROUGH LONG-TERM LOANS ON REASONABLE TERMS TO PARTICIPATING COUNTRIES. THE AGENCY OR FUND COULD ORGANIZE STOCKING ARRANGEMENTS AND MARKET INTERVENTIONS IN ACCORDANCE WITH AGREED CRITERIA OPERATIONS PROVIDED IN ITS CONSTITUTION AND/OR PROVIDE FINANCE FOR INDIVIDUAL BUFFER STOCK SCHEMES AND MARKET INTERVENTIONS OF PRODUCING COUNTRIES OR PRODUCING AND CONSUMING COUNTRIES.

(C) SUBSTANTIAL IMPROVEMENT OF FACILITY FOR COMPENSATORY FINANCING OF EXPORT FLUCTUATIONS SO THAT COMMODITY EXPORT EARNINGS DEVELOPING COUNTRIES IN REAL TERMS ARE ESTABLISHED, PERIOD REPAYMENTS OF LOANS EXTENDED CEILING ON DRAWINGS ELIMINATED AND TERMS ON WHICH LOANS GRANTED GENERALLY LIBERALIZED.

(D) A ROUND OF NEGOTIATIONS ON INTERNATIONAL COMMODITY ARRANGEMENTS INCLUDING MULTILATERAL CONTRACTS AND OTHER TECHNIQUES OF MARKET REGULATION TO RESTRUCTURE WORLD UNCLASSIFIED

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MARKET FOR RAW MATERIALS AND PRIMARY COMMODITIES, TAKING INTO ACCOUNT NEED MAINTAIN COMMODITY EXPORT PRICES RECEIVED BY DEVELOPING COUNTRIES IN TERMS OF PRICES THEY HAVE PAY FOR THEIR IMPORTS, INTERESTS OF DEVELOPING IMPORTING COUNTRIES, AND NEED PROVIDE EXPORTING COUNTRIES WITH SURE OUTLETS FOR THEIR EXPORT SUPPLIES AND IMPORTING COUNTRIES WITH SECURITY OF SUPPLIES.

B. ACCESS TO MARKETS:

URGES THE GOVERNMENTS OF ALL DEVELOPED COUNTRIES:

(A) TO MAKE STRUCTURAL ADJUSTMENTS IN THEIR ECONOMIES IN ORDER FACILITATE EXPANSION OF THEIR IMPORTS FROM DEVELOPING COUNTRIES.

(B) TO TAKE SPECIAL MEASURES TO GUARANTEE THE INCREASING SHARE OF DEVELOPING COUNTRIES IN THEIR IMPORTS; TO THAT EFFECT:

(I) THEY SHOULD REDUCE AND ELIMINATE TARIFF AND NON-TARIFF BARRIERS AS WELL AS INTERNAL TAXES AND OTHER DUTIES ON IMPORTS FROM DEVELOPING COUNTRIES OF COMMODITIES IN THEIR RAW, SEMI-PROCESSED AND PROCESSED FORMS;

(II) DEVELOPED COUNTRIES WHICH ARE NOT IN A POSITION ELIMINATE INTERNAL TAXES AND OTHER DUTIES ON IMPORTS FROM DEVELOPING COUNTRIES SHOULD REFUND RECEIPTS DERIVED THEREFROM TO DEVELOPING COUNTRIES CONCERNED;

(III) THEY SHOULD TAKE NECESSARY MEASURES ENCOURAGE CONSUMPTION OF PRODUCTS ORIGINATED IN DEVELOPING COUNTRIES;

(IV) THEY SHOULD REFRAIN FROM TAKING UNILATERAL MEASURES, EITHER GENERAL OR SPECIFIC, TENDING RESTRUCT IMPORTS ORIGINATING IN DEVELOPING COUNTRIES;

(V) IN EXCEPTIONAL CASES, AND WHEN PRODUCTS FROM DEVELOPING COUNTRIES COMPETE WITH NATIONAL PRODUCTION OF DEVELOPED UNCLASSIFIED

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COUNTRIES, LATTER SHOULD, AS A TRANSITIONAL STEP, ASSURE A PERCENTAGE IN CONSUMPTION OF SUCH PRODUCTS TO IMPORTS FROM DEVELOPING COUNTRIES.

(C) WHEREVER APPROPRIATE, TO ADOPT SPECIFIC COMMITMENTS WITH REGARD TO SHARING OF THEIR CONSUMPTION NEEDS BETWEEN NATIONAL SOURCES OF SUPPLY AND THOSE OF DEVELOPING COUNTRIES, AND MAKE KNOWN BIGGER QUANTITATIVE OBJECTIVES FOR IMPORT OF COMPETITIVE RAW MATERIALS.

CONFERENCE CALLS ON GOVTS PARTICIPATING IN MULTILATERAL TRADE NEGOTIATIONS TO GIVE PRIORITY ATTN TO AFOREMENTIONED MEASURES GUIDED BY PRINCIPLES OF NON-RECIPROCAL AND PREFERENTIAL TREATMENT FOR DEVELOPING COUNTRIES.

C. SHIPPING

AWARE THAT EXCESSIVE AND TOO FREQUENT INCREASES IN FREIGHT RATES HAVE HAD ADVERSE EFFECTS ON EXPORTS RAW MATERIALS FROM DEVELOPING COUNTRIES AND THEIR

EXPORT EARNINGS, URGES ALL STATES SIGN AND RATIFY AS SOON AS POSSIBLE CONVENTION ON A CODE OF CONDUCT FOR LINER CONFERENCES.

D. TRANSFER OF TECHNOLOGY

CALLS ON GOVTS ESTABLISH A CODE OF CONDUCT ON TRANSFER OF TECHNOLOGY WHICH SHOULD FACILITATE TRANSFER OF TECHNOLOGY TO DEVELOPING COUNTRIES ON EASIER TERMS AND CONDITIONS CONTRIBUTING TO ACCELERATED ECONOMIC AND SOCIAL DEVELOPMENT THESE COUNTRIES. THE INTERNATIONAL PATENT SYSTEM SHOULD BE THOROUGHLY REVISED SO AS SAFEGUARD SPECIAL NEEDS DEVELOPING COUNTRIES.

E. ENERGY RAW MATERIALS

1. INVITES INTERNATIONAL AND INTERGOVERNMENTAL ORGANIZATIONS TO ELABORATE PROGRAMME OF ACTION WITH REGARD TO RAW MATERIALS AND PARTICULARLY ENERGY, TO BE RESPONSIBLE FOR HARMONIOUS UNCLASSIFIED

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DEVELOPMENT OF DEVELOPING COUNTRIES, BEARING IN MIND PROGRESSIVE AND PREDICTABLE DEPLETION IN SEVERAL DECADES/LO TIME OF THESE RAW MATERIALS AND IN PARTICULAR FOSSIL FUELS, OIL AND GAS.

2. PROCESSING OF RAW MATERIALS

INCITES INTERNATIONAL ORGANIZATIONS, IN COLLABORATION WITH GOVERNMENTS OF DEVELOPING COUNTRIES, TO ELABORATE AND IMPLEMENT AN OPERATIONAL PLAN FOR TRAINING SUPERVISORY STAFF AT EARLIEST OPPORTUNITY, TO ENABLE DEVELOPING COUNTRIES TO CONTROL THEIR OWN DEVELOPMENT, FROM EXPLOITATION OF RAW MATERIALS RESOURCES UP TO INDUSTRIALIZATION.

RELATIONSHIP BETWEEN EXPORT AND IMPORT PRICES

REQUESTS ALL GOVERNMENTS CO-OPERATE WITH A VIEW TO BRINGING ABOUT JUST AND EQUITABLE RELATIONSHIPS BETWEEN MARKET PRICES OF RAW MATERIALS, PRIMARY PRODUCTS, MANUFACTURED OR SEMI-MANUFACTURED PRODUCTS EXPORTED BY DEVELOPING COUNTRIES AND PRICES OF THEIR IMPORTS FROM INDUSTRIALIZED COUNTRIES.

MARKETING AND DISTRIBUTION SYSTEM

STRESSES NEED FOR URGENT POSITIVE MEASURES TO ENSURE
DEVELOPING COUNTRIES' INCREASING PARTICIPATION IN MARKETING
AND DISTRIBUTION OF PRIMARY PRODUCTS THEY EXPORT, WITH VIEW TO
INCREASING NET RECEIPTS THEY DERIVE FROM THESE EXPORTS.
INVITES ALL GOVERNMENTS OBTAIN RELEVANT INFORMATION ON
PRICES APPLIED INCLUDING TRANSFER PRICES OF INTERMEDIATE,
PRIMARY AND PROCESSED PRODUCTS, BY TRANSNATIONAL CORPORATIONS
WHICH CARRY OUT PRODUCTION, PROCESSING AND MARKETING OF
PRIMARY PRODUCTS IN DEVELOPING COUNTRIES AND TOMAKE SUCH
INFORMATION AVAILABLE TO PRODUCING COUNTRIES.

SYNTHETIC AND SUBSTITUTE PRODUCTS

INVITES DEVELOPING COUNTRIES TO ADJUST THEIR POLICIES
CONCERNING EXPANSION OF PRODUCTION CAPACITY OF
SYNTHETIC SUBSTANCES, PRIMARILY IN LIGHT OF HIGH SOCIAL COST
OF PRODUCTION OF SUCH SUBSTANCES AND OF ADVERSE EFFECTS IT HAS ON
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ECONOMIES AND ENVIRONMENT OF BOTH DEVELOPING AND
DEVEWPED COUNTRIES.

ASSISTANCE TO DEVELOPING COUNTRIES TO EXPAND
PRODUCTION OF COMMODITIES AND PROCESSING INDUSTRIES

STRONGLY URGES, DEVELOPED AND DEVELOPING COUNTRIES
IN A POSITION TO DO SO, TO ADOPT COORDINATED MEASURES, IN
ACCORDANCE WITH DECISIONS OF PRINCIPLE ADOPTED BY
CONFERENCE, WITH A VIEW OF EFFECTING A SUBSTANTIAL
INCREASE IN CONTRIBUTIONS TO FUND FOR
DEVELOPING COUNTRIES IN ORDER EXPAND PRODUCTION OF COMMODITIES
INCLUDING AGRICULTURAL PRODUCTS AND PROCESSING OF RAW
MATERIALS IN DEVELOPING COUNTRIES, TAKING PARTICULAR ACCOUNT
OF THE REQUIREMENTS OF LEAST DEVELOPED AMONG DEVELOPING
COUNTRIES AND MOST SERIOUSLY AFFECTED COUNTRIES.

INTERESTS OF CONSUMER DEVELOPING COUNTRIES

STRONGLY URGES THAT PROVISIONS CONCERNING REVALUATION OF
PRICE OF COMMODITIES EXPORTED TO DEVELOPING COUNTRIES SHOULD
INCLUDE MEASURES TO SAFEGUARD INTERESTS OF CONSUMER
DEVELOPING COUNTRIES.

THE BURDEN OF DEBT

IMMEDIATELY INCITES INDUSTRIALIZED COUNTRIES TO AGREE TO
MORATORIUM FOR REIMBURSEMENT OF DEBT CONTRACTED BY
DEVELOPING COUNTRIES UNTIL OBJECTIVES FOR WHICH
FINANCIAL ASSISTANCE WAS GIVEN ARE ACHIEVED AND BASIC
PRODUCTS OF DEVELOPING COUNTRIES REACH MARKETS OF IN-

DUSTRIALIZED COUNTRIES IN FORM OF RAW MATERIALS,SEMI-MANUFAC-
TURED AND MANUFACTURED PRODUCTS. CONFERENCE FURTHER
PROPOSES CANCELLATION OR RE-SCHEDULING OF DEBTS CONTRACTED ON
UNFAVOURABLE TERMS. INVITES ALL GOVERNMENTS TO CO-OPERATE
IN REFORMING INTERNATIONAL MONETARY SYSTEM IN ORDER THAT
DEVELOPING COUNTRIES MIGHT PLAY A FURTHER AND MORE EFFECTIVE
PART IN OPERATING OF THE SYSTEM AND THAT AN AUTOMATIC
SYSTEM OF TRANSFERRING REAL NET RESOURCES TO DEVELOPING
COOUNTRIES SHOULD BE SET UP AND THAT CONNECTION MIGHT BE
ESTABLISHED BETWEEN SPECIAL DRAWING RIGHTS AND ADDITIONAL
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DEVELOPMENT FINANCING.

NEW INTERNATIONAL MONETARY SYSTEM IS TO BE ESTABLISHED
ON A UNIVERSAL AND EQUITABLE BASIS.

MULTILATERAL TRADE NEGOTIATIONS

INVITES GOVERNMENTS TAKING PART IN MULTILATERAL TRADE
NEGOTIATIONS TO AGREE TO HIGH ORDER OF PRIORITY FOR
LOWERING OR ELIMINATION OF BARRIERS TO IMPORTS FROM
DEVELOPING COUNTRIES, IN PARTICULAR OF BASIC COMMODITIES
(INCLUDING PROCESSED ONES), IN CONFORMITY WITH
PRINCIPLES NON-RECIPROCITY, NON-DISCRIMINATION AND
PREFERENCE FOR DEVELOPING COUNTRIES.

CONFERENCE INVITES GOVERNMENTS OF DEVELOPING COUNTRIES
TAKING PART IN MULTILATERAL TRADE NEGOTIATIONS TO
CO-ORDINATE THEIR POSITIONS AND TO CO-OPERATE, DURING
NEGOTIATIONS, IN ORDER ENSURE ADDITIONAL NET ADVANTAGES FOR
THEIR FOREIGN TRADE.

GENERALIZED SYSTEM OF PREFERENCES

THE CONFERENCE REQUESTS ALL DEVELOPED COUNTRIES APPLY,
IMPROVE AND EXPAND GENERALIZED SYSTEM OF PREFERENCES FOR
EXPORT OF MANUFACTURED OR SEMI-MANUFACTURED PRODUCTS FROM
DEVELOPING COUNTRIES TO DEVELOPED COUNTRIES BY
TRANSFORMING THIS SYTEM INTO MORE REGULAR AND EFFICIENT
ONE AND BY EXTENDING IT TO COVER COMMODITIES (IN-
CLUDING PROCESSED AND SEMI-PROCESSED COMMODITIES.)

THE CONFERENCE EMPHASIZES THKRZMGXIE MUST NOT BE USED AS
INSTRUMENT ECONOMIC OR POLITICAL PRESSURE, COERCION OR
INTERVENTION IN POLICIES OF DEVELOPING COUNTRIES WHICH
PPODUCE RAW MATERIALS. CONFERENCE CONDEMNS THESE
PRESSURES AS CONTRARY TO SYSTEM'S NATURE AND AIMS, AND AD-
VOCATES FORMATION OF UNITED FRONT TO OPPOSE ANY MEASURES

DESIGNED TO USE SYSTEM AS ANS ECONOMIC OR POLITICAL
PRESSURE.

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PROCESSING RAW MATERIALS

CONFERENCE INVITES GOVERNMENT - ESPECIALLY THOSE
PARTICIPATING AT SECOND GENERAL CONFERENCE OF UNIDO WHICH WILL
BE HELD IN LIMA IN MARCH 1975 - TO TAKE STEPS TO APPLY
PROGRAMME OF ACTION ADOPTED BY UNITED NATIONS GENERAL
ASSEMBLY AT ITS SIXTH SPECIAL SESSION IN ORDER ESTABLISH
NEW INTERNATIONAL ECONOMIC ORDER TO ENABLE DEVELOPING
COUNTRIES HAVE A LARGER SHARE OF WORLD INDUSTRIAL
OUTPUT. SUCH STEPS SHOULD MAKE IT EASIER FOR THESE
COUNTRIES TO EXPAND THEIR EXISTING INDUSTRIAL CAPACITY
AND CREATE NEW CAPACITIES - MORE PARTICULARLY FOR PRO-
CESSING THEIR RAW MATERIALS AND COMMODITIES, SO AS TO MAKE
AN EFFECTIVE CONTRIBUTION TOWARDS INTENSIFYING AND DIVERSIFYING
THEIR EXPORTS. END QUOTE
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